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Attorneys for Crown Paper Liquidating Trust

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION

In re:

CROWN VANTAGE, INC.,

Debtor.
Employer I.D. # 54-1752384

Case No.: C02-03836 MMC

**STIPULATION AND ORDER DEFERRING
HEARING AND BRIEFING DATES FOR
DEFENDANT MCGUIREWOODS LLP'S
MOTION FOR ATTORNEYS' FEES**

**Dept. Courtroom 7, 19th Floor
Judge: Hon. Maxine M. Chesney**

STIPULATION AND [PROPOSED] ORDER

1 CROWN PAPER LIQUIDATING TRUST,

2 Plaintiff,

3 v.

4 PRICEWATERHOUSECOOPERS LLP f/k/a
5 COOPERS & LYBRAND; ERNST & YOUNG;
6 McGUIRE, WOODS, BATTLE & BOOTH;
7 MERRILL LYNCH & CO.; MERRILL,
8 LYNCH, PIERCE FENNER & SMITH;
9 SALOMON BROS.; DONALDSON, LUFKIN
10 & JENRETTE; HOULIHAN LOKEY
11 HOWARD & ZUKIN; CLIFFORD CUTCHINS;
12 STEPHEN HARE; ERNEST LEOPOLD; E.
13 LEE SHOWALTER; ROBERT C. WILLIAMS;
14 WILLIAM DANIEL; and JOSEPH T.
15 PIEMONT,

16 Defendants.

17 Pursuant to Rule 6-2 of the Local Rules of the Northern District of California and FED. R.
18 Civ. P. 54(d)(2)(6), Defendant McGuireWoods LLP (“McGuireWoods”) and Plaintiff Crown Paper
19 Liquidating Trust (the “Trust”) stipulate as follows and respectfully request that the Court enter their
20 proposed order.

21 WHEREAS on July 12, 2004, this Court granted Defendant McGuireWoods’ Motion to
22 Dismiss this action with prejudice;

23 The Trust filed its Notice of Appeal of the dismissal on August 10, 2004. The parties have
24 completed briefing and are awaiting notification from the Ninth Circuit of the date for oral
25 argument.

26 On July 28, 2004, McGuireWoods filed a Motion for Attorneys’ Fees arguing that
27 McGuireWoods was entitled to attorneys’ fees under the terms of an Option and Settlement
28 Agreement, but requesting that the Court defer ruling on the attorneys’ fees Motion until
proceedings in the Delaware Chancery Court (the “Delaware Action”) involving the Option and
Settlement Agreement were resolved;

On January 12, 2005, this Court issued an Order finding that “because significant issues
concerning the contract under which McGuireWoods seeks an award of attorneys’ fees are pending

1 in the Delaware Action, the Court finds it appropriate to deny the Motion at this time, without
2 prejudice to refile it upon completion of the proceedings in Delaware.” The Court held that
3 McGuireWoods could refile its attorneys’ fee motion no later than fourteen (14) days after entry of a
4 final judgment in the Delaware Action;

5 The Delaware Action was dismissed without prejudice on December 21, 2005;

6 On or about December 23, 2005, the parties submitted a stipulation and proposed order to the
7 Court seeking an extension of time for McGuireWoods to file its Motion for Attorneys’ Fees from
8 January 4, 2006 to March 3, 2006;

9 On or about December 27, 2005, the Court granted the parties’ stipulation and ordered that
10 the last day for McGuireWoods to file its Motion for Attorneys’ Fees be continued from January 4,
11 2006 to March 3, 2006;

12 On March 3, 2006, McGuireWoods filed its Notice of Motion and Motion for Attorneys’
13 Fees and Expenses and supporting Memorandum of Points and Authorities;

14 The parties have continued to discuss a resolution of McGuireWoods’ claim for attorneys’
15 fees that will not require the Court to consider or rule upon the factually and legally complex issues
16 involved in that motion. In addition, further proceedings in related litigation, *Crown Paper Co., et*
17 *al. v. Fort James Corp., et al.*, Case No. C02-3838MMC, may simplify some of those issues.
18 Therefore, the parties agree that McGuireWoods will withdraw its Motion for Attorneys’ Fees
19 without prejudice to reasserting the claim in this Court if (a) the case is remanded from the Ninth
20 Circuit Court of Appeals to the District Court following Crown’s appeal, in which event any fees
21 claims will be litigated as provided by Rule 54; or (b) the Ninth Circuit affirms the dismissal of
22 McGuireWoods, in which event the fee motion can be refiled at that time before this Court;

23 The parties note for the Court’s consideration that the Advisory Committee’s Note for FED.
24 R. CIV. P. 54(d)(2)(b) provides that: “If an appeal on the merits is taken, the [District] Court may
25 rule on the claim for fees, *may defer its ruling on the motion*, or may deny the motion without
26 prejudice, *directing under subdivision (d)(2)(b) a new period for filing after the appeal has been*
27 *resolved.*” [Emphasis added];

ACCORDINGLY, IT IS HEREBY STIPULATED AND AGREED THAT, upon Court approval of this stipulation, McGuirewoods shall be deemed to have withdrawn its Motion for Attorneys' Fees without prejudice to refile the Motion if (a) the case is remanded from the Ninth Circuit Court of Appeals to the District Court in which event any fees claims will be litigated as provided by Rule 54; or (b) the Ninth Circuit affirms, in which event McGuireWoods' fee motion will be filed no later than fourteen (14) days after the Ninth Circuit's ruling.

STIPULATED AND AGREED:

DATED: March 27, 2006

Krieg, Keller, Sloan, Reilley & Roman, LLP

By _____ /s/

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DATED: March 28, 2006

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PURSUANT TO STIPULATION, IT IS SO ORDERED.

DATED: March 30, 2006

Maxine M. Chesney
Hon. Maxine M. Chesney
United States District Court Judge